

Message Text

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ACTION STR-04

INFO OCT-01 EUR-12 IO-13 ISO-00 STRE-00 FEA-01 SSO-00
INRE-00 NSCE-00 USIE-00 AGRE-00 CEA-01 CIAE-00
COME-00 DODE-00 EB-07 FRB-03 H-01 INR-07 INT-05
L-03 LAB-04 NSAE-00 NSC-05 PA-01 EPG-02 AID-05
SS-15 ITC-01 TRSE-00 PRS-01 SP-02 OMB-01 /095 W
-----123217 091010Z /13/75

O 072149Z JUL 77
FM AMEMBASSY OTTAWA
TO SECSTATE WASHDC IMMEDIATE 4028
INFO USMISSION GENEVA

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C O R R E C T E D C O P Y FOR TEXT //PORTION OF PARA 1 OMMITTED
IN ORIG XMISSION//

USMTN ALSO FOR USMISSION

MISSION PASS TO MIKE SMITH

DEPT PASS STR

E.O. 11652: N/A
TAGS: ETRD, GATT, CA
SUBJECT: ARTICLE XIX CONSULTATIONS WITH CANADA, JULY 7
TEXTILES AND GARMENTS

1. USDEL MET WITH CANDEL JULY 7 FOR FURTHER CONSULTATIONS
CONCERNING CANADIAN TEXTILE AND GARMENT RESTRICTIONS
TAKEN UNDER ARTICLE XIX. CANDEL LOOMER STATED THAT CANDEL
UNDER INSTRUCTIONS FROM CABINET, WHILE RESERVING ITS GATT
RIGHTS UNDER ARTICLE XXIII, WAS PREPARED TO DISCUSS COM-
PENSATION AND TO THAT END PRESENTED OFFER OF CONCESSIONS
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IN TEXTILE SECTOR AS FOLLOWS:

COMPENSATION OFFER
TARIFF BRIEF MFN RATES
ITEM NO. DESCRIPTION BOUND IN EFFECT CONCESSION

56208-1 MAN-MADE FABRICS 25 P.C. 22 1/2 P.C. 22 1/2 P.C

FOR CLOTHING PLUS 15 CTS/LB 13 CTS/LB 13 CTS/LB
(EQUIVALENT
27 P.C. AD VALORE)

56209-1 MAN-MADE FABRICS

FOR DRAPES, 25 P.C. 22 1/2 P.C. 22 1/2 P.C.
CURTAINS AND PLUS 15 CTS/LB 13 CTS/LB 13 CTS/LB
BEDSPREADS (EQUIVALENT
27 P.C. AD VALOREM)

EX 56105-1 VISCOSE RAYON 10 P.C. 10 P.C.

FILAMENT YARNS PLUS 10 10 CTS/LB FREE

EX 56110-1 CTS/LB (EQUIVALENT
20 P.C. AD VALOREM)
OR FREE

56020-1 MAN-MADE FIBRES

FOR CARPETS 10 P.C. 10 P.C. 7 1/2 P.C.

COVERING IMPORTS FROM U.S. IN 1976 OF C DOLS 91,869,000.
PRESSED BY U.S.DEL (POMERANZ) ON INADEQUACY OF OFFER,
CANDEL ADDED TO OFFER CONCESSION ON MAN-MADE FIBERS
(CANADIAN TARIFF NUMBER 56005-1) FROM 10 PERCENT AD VAL
TO 7 1/2 PERCENT AD VAL (IMPORTS FROM U.S. IN 1976
C DOLS 29,908,000).
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2. U.S.DEL EXPRESSED SATISFACTION WITH TRADE COVERAGE
OF OFFER AND FACT IT WAS, TO A LARGE DEGREE, IN TEXTILE
SECTOR. HOWEVER, OFFER REPRESENTED NO REAL CONCESSION
OF BENEFIT TO U.S. FABRIC ITEMS WERE ALREADY SUBJECT
TO PROPOSED CONCESSIONARY DUTY THROUGH FEBRUARY, 1978
BASED ON UNILATERAL CANADIAN REDUCTION. RAYON YARN
CONCESSION WAS IN CATEGORY IN WHICH TOTAL IMPORTS FOR
ALL SOURCES WERE DECREASING AND COVERED A PRODUCT OF
DIMINISHING COMMERCIAL VALUE. U.S. SUGGESTED THAT
INCREASED CUT OF FABRICS WOULD MAKE OFFER MORE ACCEPTABLE.
CANDEL REPLIED THAT OFFER TABLED REPRESENTED MAXIMUM UNDER
CURRENT INSTRUCTIONS FROM CABINET. ANY FURTHER CUT WOULD
REQUIRE MINISTERIAL APPROVAL WHICH THEY BELIEVED WOULD
NOT BE FORTHCOMING.

3. ON SUBJECT OF DURATION OF PROPOSED CUTS, BOTH DELS
AGREED THAT DURATION OF CONCESSIONS SHOULD EQUAL PERIOD
DURING WHICH CANADIAN RESTRICTIONS ARE IN EFFECT. CANDEL
NOTED THAT THEY CONTEMPLATED CONCESSIONS OF FABRICS UNTIL
INTO 1980 AND CONCESSIONS ON OTHER ITEMS INTO 1978,
THAT CONCESSIONS WOULD BE APPLIED ON AN MFN BASIS AND THAT

OFFER WAS MADE AD REFERENDUM. USDEL INDICATED THAT
OFFER WAS ALSO ACCEPTED AD REFERENDUM.

4. USDEL INFORMED CANDEL THAT IT WOULD CONTACT GOC BY
MONDAY, JULY 11 WITH A FORMAL RESPONSE TO THEIR OFFER
WHICH IT EXPECTED WOULD BE NEGATIVE. U.S. ENCOURAGED
CANDEL TO APPROACH MINISTERS ASAP ON SUBJECT OF
QUALITATIVE (INCREASED DEPTH OF CUT) IMPROVEMENT OF
CANADIAN OFFER. CANDEL REPEATED THAT THEY EXPECTED
NO IMPROVEMENT AFTER MINISTERIAL CONSIDERATION. BOTH
SIDES CONCLUDED WITH AN EXPRESSION OF DISAPPOINTMENT AT
LACK OF AGREEMENT. ENDERS

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXTILES, CLOTHING, TRADE CONTROLS
Control Number: n/a
Copy: SINGLE
Sent Date: 07-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
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Executive Order: N/A
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Format: TEL
From: OTTAWA USMTN MTN
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Message ID: a75ba66f-c288-dd11-92da-001cc4696bcc
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Original Previous Classification: n/a
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TAGS: ETRD, CA, US, GATT
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Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/a75ba66f-c288-dd11-92da-001cc4696bcc
Review Markings:
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